

**Kickhaefer & Buessing, P.A.**  
Certified Public Accountants

**UNIFIED SCHOOL DISTRICT NO. 364**  
MARYSVILLE, KANSAS

FINANCIAL STATEMENT AND INDEPENDENT AUDITOR'S REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS  
  
FINANCIAL STATEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

TABLE OF CONTENTS

<u>ITEM</u>	<u>PAGE NUMBER</u>
Independent Auditors' Report	1-3
<b>FINANCIAL INFORMATION</b>	
Statement 1      Summary Statement of Receipts, Expenditures, and Unencumbered Cash	5-6
Notes to the financial statement	7-15
<b>REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION</b>	
Schedule 1      Schedule of Expenditures - Actual and Budget	17
Schedule 2      Schedule of Receipts and Expenditures - Actual and Budget	19-36
Schedule 3      Agency Funds - Schedule of Receipts and Disbursements	37
Schedule 4      District Activity Funds - Schedule of Receipts, Expenditures, and Unencumbered Cash	39
<b>OTHER SUPPLEMENTARY INFORMATION</b>	
Schedule 5      Comparison of Depository Security with Funds on Deposit	41
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statement Performed in Accordance with <i>Governmental Auditing Standards</i>	43-44
Independent Auditors' Report on Compliance For Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133	45-46
Schedule of Expenditures of Federal Awards	47-48
Notes to the Schedule of Expenditures of Federal Awards	49
Schedule of Findings and Questioned Costs	51-54
Summary Schedule of Prior Year Findings	55

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## INDEPENDENT AUDITORS' REPORT

Board of Education  
Unified School District No. 364  
Marysville, Kansas 66508

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 364, Marysville, Kansas, as of and for the year ended June 30, 2015 and the related notes to the financial statement.

### **Management's Responsibility for the Financial Statement**

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1 C. to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of The United States, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note 1 C. of the financial statement, the financial statement is prepared by Unified School District No. 364, Marysville, Kansas, to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 C. and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

**Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Unified School District No. 364, Marysville, Kansas, as of June 30, 2015, or the changes in financial position and cash flows thereof for the year then ended.

**Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the Unified School District No. 364, Marysville, Kansas, as of June 30, 2015, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1 C.

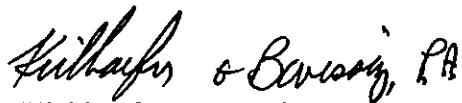
**Other Reporting Required by Governmental Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued a report dated January 13, 2016, on our consideration of the Unified School District No. 364, Marysville, Kansas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Unified School District No. 364, Marysville, Kansas' internal control over financial reporting and compliance.

**Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and expenditures - agency funds, and schedule of regulatory basis receipts, expenditures and unencumbered cash – activity funds (Schedules 1, 2, 3, and 4 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. The Comparison of Depository Security with Funds on Deposit (Schedule 5 as listed in the table of contents) is not a required part of the basic financial statement. The Schedule of Expenditures of Federal Awards, Schedule of Findings and

Questioned Costs, and Schedule of Prior Year Audit Findings are presented for analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and are also not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1 C.



Kickhaefer & Buessing, P.A.

Marysville, Kansas

January 13, 2016

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

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UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

**FINANCIAL INFORMATION**

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

STATEMENT 1  
PAGE 1 OF 2

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH  
REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

FUNDS	BEGINNING UNENCUMBERED CASH BALANCE	PRIOR YEAR CANCELLED ENCUMBRANCES	RECEIPTS	EXPENDITURES	UNENCUMBERED CASH BALANCE	ADD OUTSTANDING ENCUMBRANCES AND ACCOUNTS PAYABLE	ENDING CASH BALANCE
GENERAL FUNDS:							
GENERAL	\$ 0.00	\$ 0.00	\$ 5,160,562.40	\$ 5,160,562.40	\$ 0.00	\$ 32,277.58	\$ 32,277.58
SUPPLEMENTAL GENERAL	120,086.75	0.00	1,794,440.65	1,803,805.00	110,722.40	8,146.74	118,869.14
SPECIAL PURPOSE FUNDS:							
AT-RISK FUND (K-12)	0.00	0.00	520,000.00	520,000.00	0.00	3,400.32	3,400.32
CAPITAL OUTLAY	724,227.60	0.00	654,549.47	567,531.41	811,245.66	55,452.29	866,697.95
DRIVER TRAINING	27,484.71	0.00	15,840.00	10,732.77	32,591.94	0.00	32,591.94
FOOD SERVICE	48,637.63	0.00	479,446.48	478,016.46	50,067.65	0.00	50,067.65
PROFESSIONAL DEVELOPMENT	0.00	0.00	31,131.19	30,881.19	250.00	1,115.00	1,365.00
SPECIAL EDUCATION	45,229.62	0.00	1,317,052.87	1,302,090.17	60,192.32	0.00	60,192.32
AT-RISK FUND (4 YR OLD)	0.00	0.00	78,362.04	78,362.04	0.00	0.00	0.00
VOCATIONAL EDUCATION	0.00	0.00	365,000.00	365,000.00	0.00	0.00	0.00
KPERS SPECIAL RETIREMENT CONTRIBUTION	0.00	0.00	589,939.58	589,939.58	0.00	0.00	0.00
COOP SPECIAL EDUCATION	0.00	0.00	2,303,946.25	2,303,946.25	0.00	5,588.22	5,588.22
CONTINGENCY RESERVE	218,954.00	0.00	0.00	0.00	218,954.00	0.00	218,954.00
TEXTBOOK & STUDENT MATERIAL REVOLVING	119,186.72	0.00	44,250.77	26,899.88	136,537.61	90.00	136,627.61
CAMP INVENTION	1,168.50	0.00	0.00	0.00	1,168.50	0.00	1,168.50
TITLE I - FY 15	0.00	0.00	103,823.00	103,823.00	0.00	0.00	0.00
TITLE IIA - IMPROVING TEACHER QUALITY	0.00	0.00	31,382.00	31,382.00	0.00	0.00	0.00
BULLYING PREVENTION GRANT	0.00	0.00	3,227.12	1,732.17	1,494.95	0.00	1,494.95
SAFE AND ACTIVE SCHOOL GRANT	0.00	0.00	1,000.00	100.00	900.00	0.00	900.00
KIDS UNIVERSITY	17,466.05	0.00	26,911.91	26,101.95	18,276.01	136.30	18,412.31
WORKFORCE INVESTMENT ACT	0.00	0.00	37,633.00	37,633.00	0.00	0.00	0.00
GATE RECEIPT FUNDS	22,230.39	0.00	72,688.22	69,239.03	25,679.58	0.00	25,679.58
SCHOOL PROJECT FUNDS	96,125.12	0.00	197,794.48	197,542.94	96,376.66	0.00	96,376.66

(CONT.)



UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

STATEMENT 1  
PAGE 2 OF 2

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH  
REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

FUNDS	BEGINNING UNENCUMBERED CASH BALANCE	PRIOR YEAR CANCELLED ENCUMBRANCES	RECEIPTS	EXPENDITURES	ENDING UNENCUMBERED CASH BALANCE	ADD OUTSTANDING ENCUMBRANCES AND ACCOUNTS PAYABLE	ENDING CASH BALANCE
BOND AND INTEREST FUNDS:							
BOND AND INTEREST	\$ 191,414.98	\$ 0.00	\$ 0.00	\$ 0.00	\$ 191,414.98	\$ 0.00	\$ 191,414.98
DEBT SERVICE FUND	237,500.94	0.00	197,698.97	118,532.29	316,667.62	0.00	316,667.62
EXPENDABLE TRUSTS:							
GRANTS FUND	10,286.23	0.00	11,100.00	21,389.23	0.00	0.00	0.00
U.S.D. NO. 364 SCHOLARSHIP FUND	6,828.60	0.00	317.02	300.00	6,845.62	0.00	6,845.62
HOMER HANSON STADIUM RENOVATION	18,341.46	0.00	19,130.05	2,681.63	34,789.88	0.00	34,789.88
TOTAL REPORTING ENTITY (Excluding Agency Funds)	\$ 1,905,171.30	\$ 0.00	\$ 14,057,227.47	\$ 13,848,223.39	\$ 2,114,175.38	\$ 106,208.45	\$ 2,220,381.83

COMPOSITION OF CASH:

CASH IN BANK, UNITED BANK & TRUST, MARYSVILLE, KANSAS--  
CHECKING ACCOUNTS

\$ 1,957,214.46

CASH IN BANK, CITIZENS STATE BANK, MARYSVILLE, KANSAS--  
QZAB SINKING FUND  
MM ACCOUNT

316,866.68  
6,545.62

TOTAL CASH

2,280,426.76

INVESTMENTS AT COST

BANK OF KANSAS CITY, KANSAS CITY, MISSOURI  
CAVANAL HILL US TREASURY

0.94

TOTAL DISTRICT CASH AND INVESTMENTS

2,280,427.70

LESS AGENCY FUNDS PER SCHEDULE 3

(60,045.87)

TOTAL REPORTING ENTITY CASH AND INVESTMENTS (Excluding Agency Funds)

\$ 2,220,381.83

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

NOTES TO THE FINANCIAL STATEMENT  
JUNE 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Municipal Financial Reporting Entity

Unified School District No. 364 is a municipal corporation governed by an elected seven-member board. This regulatory financial statement presents Unified School District No. 364 (the District) and does not include any related municipal entities.

B. Regulatory Basis Fund Types

In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. The following regulatory basis fund types comprise the financial activities of the District for the fiscal year 2015:

General fund - the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose fund - used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest fund - used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Trust fund - funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

Agency fund—funds used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.).

C. Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America--The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

NOTES TO THE FINANCIAL STATEMENT  
JUNE 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

C. Basis of Accounting (cont.)

future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirements for application of generally accepted accounting principles and allowing the District to use the regulatory basis of accounting.

D. Reimbursements

The District records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under KMAAG regulatory basis accounting.

E. Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding fiscal year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There was no such amendment made by the District in FY15.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

NOTES TO THE FINANCIAL STATEMENT  
JUNE 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

E. Budgetary Information (cont.)

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital projects funds, trust funds, and the following special purpose funds: Contingency Reserve, Textbook and Student Revolving, and all federal programs and grant funds. Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

F. Property Tax

The county clerk calculates the final tax levy rates necessary to finance the budget subject to any legal limitations. After all budgets have been received and tax rates calculated, the clerk certifies the tax roll to the county treasurer, who prepares tax statements and receives payment.

Taxes become a lien against all property November 1st. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 21st and May 11th. Delinquent taxes were assessed interest at 6% per annum for the calendar year 2014, and 6% per annum for calendar year 2015. This interest is retained by the county.

Taxes levied to finance the budget are made available to the District after January 1st and are distributed by the county treasurer approximately every month and a half. At least 50% of the taxes levied are available in January. Delinquent tax collections are distributed throughout the year.

2. DEPOSITS AND INVESTMENTS

As of June 30, 2015, the District had the following investments and maturities.

Investment Type	Cost	Fair Value	Rating
Cavanal Hill Treasury Fund	\$ 0.94	\$ 0.94	AAA by S&P
Money Market Mutual Fund which doesn't have a maturity date. Funds may be drawn down at any time.			

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

NOTES TO THE FINANCIAL STATEMENT  
JUNE 30, 2015

2. DEPOSITS AND INVESTMENTS (cont.)

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices. The rating of the District's investment is noted above.

*Concentration of credit risk.* State statute place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The District's allocation of investments as of June 30, 2015, is as follows:

<u>Investments</u>	<u>Percentage of Investments</u>
Cavanal Hill US Treasury	100%

*Custodial credit risk – deposits.* Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The deposits at Citizens State Bank were not legally secured at June 30, 2015.

At June 30, 2015 the carrying amount of the District's deposits, including certificates of deposits, was \$2,280,427.70. The bank balance was \$2,660,564.95. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, \$506,546.56 was covered by FDIC insurance and \$2,154,018.39 was collateralized with securities held by the pledging financial institution's agent in the District's name.

*Custodial credit risk – investments.* For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. At June 30, 2015, the District had invested \$.94 in the Money Market Funds of the Bond Trustee, Bank of Kansas City, which is secured by U.S. Government Securities.

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

NOTES TO THE FINANCIAL STATEMENT  
JUNE 30, 2015

3. IN-SUBSTANCE RECEIPT IN TRANSIT

The District received \$270,641.00 subsequent to June 30, 2015 and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2015.

4. LONG-TERM DEBT

The District has no outstanding long-term debt as of June 30, 2015. However, the District entered into a lease purchase agreement with the Bank of Kansas City, Kansas City, Missouri for energy improvements. The energy improvements were funded by Qualified Zone Academy Bonds which were purchased by two local banks. The QZAB Series 2010A have a tax credit of 5.85% and the QZAB Series 2010B have an interest rate of 5.85%. The lease purchase agreement is set up for basic rent payments and to be limited to payment from available revenues and will constitute a current expense of the District and not debt of the District. The Series 2010A basic principal payments are put in a QZAB Sinking Fund of the District each year in order to pay the full \$950,000 in the final year 2022. For FYE15 the District has \$316,666.68 balance in the sinking fund. Since no payments are actually paid out till that date, the principal remains the same till the final year. The U.S. Treasury was supposed to pay for the entire interest due for the Series 2010B but due to the sequestration the District had to pay 7.3% of the \$39,365.62 interest due in FYE 15. The rate the U.S. Treasury will pay will vary over the years. Interest payments projected below are calculated using the latest rate available which is that the District will have to pay 6.8% of the interest amount due. The Series 2010B basic principal payments and interest are paid to the local bank each year. The schedule of basic rent payments as of June 30, 2015, for the Series 2010A and Series 2010B Certificates are shown below for informational purposes.

ISSUE	INTEREST RATES	DATE OF ISSUE	AMOUNT OF ISSUE	DATE OF FINAL MATURITY	BEGINNING PRINCIPAL OUTSTANDING	ADDITIONS TO PRINCIPAL	REDUCTIONS OF PRINCIPAL	NET CHANGE IN PRINCIPAL	ENDING PRINCIPAL OUTSTANDING	INTEREST PAID
LEASE PURCHASE AGREEMENT WITH BANK OF KANSAS CITY										
QUALIFIED ZONE ACADEMY BONDS										
CERTIFICATE OF PARTICIPATION										
SERIES 2010A	5.85% TAX CREDIT	12/29/2010	950,000.00	12/29/2022	\$ 950,000.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 950,000.00	\$ 0.00
SERIES 2010B	5.85%	12/29/2010	950,000.00	12/29/2022	712,499.99	0.00	79,166.67	(79,166.67)	633,333.32	2,873.69
					\$ 1,662,499.99	\$ 0.00	\$ 79,166.67	\$ (79,166.67)	\$ 1,583,333.32	\$ 2,873.69

Current maturities of the basic rent payment schedule showing principal and interest for the next five years and in five year increments through maturity are as follows:

	YEAR						TOTAL
	2016	2017	2018	2019	2020	2021-2025	
PRINCIPAL							
ENERGY IMPROVEMENT LEASE:							
QZAB SERIES 2010A	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 950,000.00	\$ 950,000.00
QZAB SERIES 2010B	79,166.67	79,166.67	79,166.67	79,166.67	79,166.67	237,499.97	633,333.32
TOTAL PRINCIPAL	79,166.67	79,166.67	79,166.67	79,166.67	79,166.67	1,187,499.97	1,583,333.32
INTEREST							
ENERGY IMPROVEMENT LEASE:							
QZAB SERIES 2010A	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QZAB SERIES 2010B	2,361.94	2,047.02	1,732.09	1,417.17	1,102.24	1,417.18	10,077.64
TOTAL INTEREST	2,361.94	2,047.02	1,732.09	1,417.17	1,102.24	1,417.18	10,077.64
TOTAL PRINCIPAL AND INTEREST	\$ 81,528.61	\$ 81,213.69	\$ 80,898.76	\$ 80,583.84	\$ 80,268.91	\$ 1,188,917.15	\$ 1,593,410.96

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

NOTES TO THE FINANCIAL STATEMENT  
JUNE 30, 2015

5. INTERFUND TRANSFERS

<u>From</u>	<u>To</u>	<u>Authority</u>	<u>Amount</u>
General Fund	At Risk Fund (K-12)	K.S.A. 72-6428	\$ 520,000.00
General Fund	At Risk Fund (4Year Old)	K.S.A. 72-6428	78,362.04
General Fund	Food Service Fund	K.S.A. 72-6428	9,228.58
General Fund	Professional Dev. Fund	K.S.A. 72-6428	31,104.19
General Fund	Special Education Fund	K.S.A. 72-6428	1,310,142.18
General Fund	Vocational Education Fund	K.S.A. 72-6428	352,871.52
Capital Outlay	Debt Service Fund	K.S.A. 72-8804	161,207.03
Special Education Fund	Coop Special Education	K.S.A. 72-6420	1,302,090.17

The transfer from Capital Outlay to the Debt Service Fund was partially encumbered at June 30, 2014. \$158,408.34 was encumbered and \$2,798.69 was expended in the current year.

6. DEFINED BENEFIT PENSION PLAN

Plan description. The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. KPERS provides retirement benefits, life insurance, disability income benefits and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S. Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Funding Policy. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. Effective January 1, 2015 KPERS has three benefit structures and funding depends on whether the employee is a Tier 1, Tier 2, or Tier 3 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009 and prior to January 1, 2015. Tier 3 members are employed on or after January 1, 2015 and have a contribution rate of 6%. Kansas law establishes the KPERS member-employee contribution rate of 5% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. Effective January 1, 2015 Tier 1 member-employee contribution rate changed to 6% of covered salary. Member employees' contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code. The State of Kansas is required to contribute the statutory required employers share.

Net Pension Liability. The total pension liability for KPERS was determined by an actuarial valuation

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

NOTES TO THE FINANCIAL STATEMENT  
JUNE 30, 2015

6. DEFINED BENEFIT PENSION PLAN (cont.)

as of December 31, 2013, which was rolled forward to June 30, 2014. As of June 30, 2014 the net pension liability for KPERS was \$8,291,794,910. KPERS has determined the District's proportionate share of the net pension liability is \$8,512,626 as of June 30, 2014. The complete actuarial valuation report including assumptions and methods is publically available on the website at [www.kpers.org](http://www.kpers.org) or can be obtained as described in the first paragraph above.

7. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Other post-employment benefits. As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

Fringe Benefits. Each teacher shall be entitled once annually to elect to have a portion of the teacher's salary set aside on a Plan 125 not to exceed, \$10,000. The plan may pay for group health insurance or the following programs: term life insurance up to \$50,000.00, salary protection insurance, child care, and supplemental medical insurance such as dental, vision, and cancer.

The District will participate in the State of Kansas Employee Healthcare Program for school districts for as long as the District meets the requirements to participate. If for some reason the District does not meet the participation enrollment requirements all new employees will be required to enroll in the District health insurance. If the District no longer qualifies to participate in the state health insurance program, the District will contribute a matching amount to a new health insurance plan.

Compensated Absences. The District's policies regarding vacation and sick leave are: Each full time teacher shall earn 12 full days of leave each school year accumulative to 102 days; the superintendent is allowed twelve days leave accumulative to 102 days and 12 days vacation; the principals are allowed twelve days leave accumulative to 102 days; District employees who have a nine month contract are allowed six days sick leave accumulative to 100 days; District employees who have over a nine month contract are allowed an extra day per month; ten days sick leave accumulative to 100 days; the custodians, secretaries, and U.S.D. clerk who have a twelve month contract are allowed 10 sick days and 5 days of vacation the first year of employment and 10 days of vacation thereafter; the director of building and grounds and the director of transportation are allowed 10 sick days accumulative to 100 and 12 days of vacation; the director of technology is allowed 12 days sick leave and 12 days' vacation accumulative to 102 days.

Liability for compensated absences is not reflected in the financial statements.



UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

NOTES TO THE FINANCIAL STATEMENT  
JUNE 30, 2015

7. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (cont.)

Termination Benefits. The District provided for an early retirement program for FY11 for eligible certified staff. Compensation would be paid according to the schedule in the 2010-2011 Negotiated Agreement. The program provides for one payment on August 1 or two payments (August 1 and February 1). One employee took advantage of early retirement. Payments made or encumbered for retired employees under this plan was \$7,000.00 for the year ended June 30, 2015. The Negotiated Agreement for FY15 provides that teachers retiring under KPERS will be compensated \$4,000 if the notification was by February 11, 2015.

8. COMMITMENTS AND CONTINGENCIES

Litigation

As of the audit date, there is no pending or threatened litigation which involves the District.

Grant program involvement The District participates in federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grant government. As of the date of this report, District management believes that any disallowed expenditures based on any future audits will not have a material effect on the overall financial position of the District.

9. SUBSEQUENT EVENTS

The District's management has evaluated events and transactions occurring through January 13, 2016, the date which the financial statement was available to be issued.

10. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Finance-Related Legal and Contractual Provisions

K.S.A. 75-3317 thru K.S.A. 75-3322 makes mandatory the purchase of products offered by Kansas industries for the blind and severely disabled. "The Kansas Use Law" states that when a unified school district has need to purchase products such as those listed in the Kansas State Use Catalog, it is a violation of Kansas law to purchase from any source other than those specified on the website or catalog. The District did not make all purchases of such products from these industries.

K.S.A. 10-1113 requires that no indebtedness be created for a fund in excess of available monies in that fund. The District had a shortage of funds in September, October, and November, 2014 for the Coop Special Education Fund which created a negative fund balance.

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

NOTES TO THE FINANCIAL STATEMENT  
JUNE 30, 2015

10. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (cont.)

Compliance with Finance-Related Legal and Contractual Provisions (cont.)

K.S.A. 60-1111 states that whenever any public official enters into contract in any sum exceeding \$100,000.00 with any persons for the purpose of making public improvements, or making repairs on public buildings, shall take a bond to the State of Kansas in a sum not less than the sum total of the contract. The bond shall be filed with the Clerk of the District Court in the county in which the improvement is made. No such public works bond was obtained or filed in Marshall County for the approved contract for roof repair with Roofmasters Roofing Co., Inc. for \$349,578.00.

K.S.A. 9-1402 requires deposits of public monies to be adequately secured. The sinking fund of the District was not fully covered at June 30, 2015.

K.S.A. 72-8208a requires school activity funds to be accounted for properly. The Marysville Elementary activity fund balances were not accurately reconciled to the bank statements for the last three months of FYE 15.

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

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UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

**REGULATORY-REQUIRED  
SUPPLEMENTARY INFORMATION**

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 1

SCHEDULE OF EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

FUNDS	CERTIFIED BUDGET	ADJUSTMENT TO COMPLY WITH LEGAL MAX	ADJUSTMENT FOR QUALIFYING BUDGET CREDITS	TOTAL BUDGET FOR COMPARISON	EXPENDITURES CHARGEABLE TO CURRENT YEAR	VARIANCE - OVER (UNDER)
GENERAL FUNDS:						
GENERAL	\$ 5,274,544.00	\$ (210,320.00)	\$ 96,338.40	\$ 5,160,562.40	\$ 5,160,562.40	\$ 0.00
SUPPLEMENTAL GENERAL	1,839,635.00	(35,830.00)	0.00	1,803,805.00	1,803,805.00	0.00
SPECIAL PURPOSE FUNDS:						
AT RISK FUND (K-12)	520,000.00	0.00	0.00	520,000.00	520,000.00	0.00
CAPITAL OUTLAY	1,042,000.00	0.00	0.00	1,042,000.00	567,531.41	(474,468.59)
DRIVER TRAINING	25,000.00	0.00	0.00	25,000.00	10,732.77	(14,267.23)
FOOD SERVICE	568,000.00	0.00	2,029.70	570,029.70	478,016.46	(92,013.24)
PROFESSIONAL DEVELOPMENT	50,000.00	0.00	0.00	50,000.00	30,881.19	(19,118.81)
SPECIAL EDUCATION	1,726,120.00	0.00	0.00	1,726,120.00	1,302,090.17	(424,029.83)
VOCATIONAL EDUCATION	365,000.00	0.00	0.00	365,000.00	365,000.00	0.00
KPERS SPECIAL RETIREMENT CONTRIBUTION	740,305.00	0.00	0.00	740,305.00	589,939.58	(150,365.42)
AT RISK FUND (4 YR. OLD)	85,000.00	0.00	0.00	85,000.00	78,362.04	(6,637.96)
COOP SPECIAL EDUCATION	2,550,000.00	0.00	0.00	2,550,000.00	2,303,946.25	(246,053.75)
BOND AND INTEREST FUNDS:						
BOND AND INTEREST	0.00	0.00	0.00	0.00	0.00	0.00

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

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UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 2  
PAGE 1 OF 18

**GENERAL FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	14-15 ACTUAL	14-15 BUDGET	VARIANCE - OVER (UNDER)
<u>CASH RECEIPTS</u>			
TAXES AND SHARED REVENUE--			
IN LIEU OF TAXES IRBS	\$ 0.00	\$ 3,988.00	\$ (3,988.00)
TOTAL TAXES AND SHARED REVENUE	0.00	3,988.00	(3,988.00)
STATE SOURCES--			
GENERAL STATE AID	4,417,299.00	4,516,136.00	(98,837.00)
SPECIAL EDUCATION AID	646,925.00	754,420.00	(107,495.00)
TOTAL STATE SOURCES	5,064,224.00	5,270,556.00	(206,332.00)
REIMBURSEMENTS	96,338.40	0.00	96,338.40
TOTAL CASH RECEIPTS	5,160,562.40	\$ 5,274,544.00	\$ (113,981.60)
<u>EXPENDITURES</u>			
INSTRUCTION	1,225,561.40	\$ 1,226,700.00	\$ (1,138.60)
SUPPORT SERVICES:			
STUDENT SUPPORT SERVICES	130,735.76	131,400.00	(664.24)
INSTRUCTIONAL SUPPORT STAFF	292,982.30	287,000.00	5,982.30
GENERAL ADMINISTRATION	207,831.76	211,525.00	(3,693.24)
SCHOOL ADMINISTRATION	448,363.12	473,950.00	(25,586.88)
CENTRAL SERVICES	82,626.12	87,600.00	(4,973.88)
OPERATIONS & MAINTENANCE	163,891.68	428,249.00	(264,357.32)
STUDENT TRANSPORTATION SERVICES:			
SUPERVISION	0.00	232,000.00	(232,000.00)
VEHICLE OPERATING SERVICES	279,350.12	100,000.00	179,350.12
VEHICLE SERVICES, MAINTENANCE SERVICES	27,511.63	0.00	27,511.63
TRANSFERS:			
FOOD SERVICE	9,228.58	20,000.00	(10,771.42)
PROFESSIONAL DEVELOPMENT	31,104.19	30,000.00	1,104.19
SPECIAL EDUCATION	1,310,142.18	1,181,120.00	129,022.18
VOCATIONAL EDUCATION	352,871.52	300,000.00	52,871.52
AT-RISK (K-12)	520,000.00	485,000.00	35,000.00
AT-RISK (4 YR OLD)	78,362.04	80,000.00	(1,637.96)
ADJUSTMENT TO COMPLY WITH LEGAL MAX	0.00	(210,320.00)	210,320.00
LEGAL GENERAL FUND BUDGET	5,160,562.40	5,064,224.00	96,338.40
ADJUSTMENT FOR QUALIFYING BUDGET CREDITS	0.00	96,338.40	(96,338.40)
TOTAL EXPENDITURES	5,160,562.40	\$ 5,160,562.40	\$ (0.00)
RECEIPTS OVER (UNDER) EXPENDITURES	0.00		
UNENCUMBERED CASH, JULY 1, 2014	0.00		
UNENCUMBERED CASH, JUNE 30, 2015	\$ 0.00		

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 2  
PAGE 2 OF 18

**SUPPLEMENTAL GENERAL**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	14-15 ACTUAL	14-15 BUDGET	VARIANCE - OVER (UNDER)
<u>RECEIPTS</u>			
AD VALOREM PROPERTY TAXES -2013	\$ 28,340.29	\$ 24,524.00	\$ 3,816.29
-2014	1,402,239.55	1,298,683.00	103,556.55
DELINQUENT PROPERTY TAX	7,646.03	15,667.00	(8,020.97)
MOTOR VEHICLE TAX	139,314.16	130,676.00	8,638.16
RECREATIONAL VEHICLE TAX	1,734.48	1,624.00	110.48
COMMERCIAL VEHICLE TAX	21,608.86	0.00	21,608.86
EXCISE TAX	156.99	0.00	156.99
IN LIEU OF TAXES IRBS	188.29	4,438.00	(4,249.71)
GENERAL STATE AID	193,212.00	243,936.00	(50,724.00)
 TOTAL RECEIPTS	 1,794,440.65	 \$ 1,719,548.00	 \$ 74,892.65
<u>EXPENDITURES</u>			
INSTRUCTION	1,478,376.19	\$ 1,491,400.00	\$ (13,023.81)
SUPPORT SERVICES:			
OPERATIONS & MAINTENANCE	325,428.81	276,235.00	49,193.81
VEHICLE OPERATING SERVICES	0.00	72,000.00	(72,000.00)
ADJUSTMENT TO COMPLY WITH LEGAL MAX	0.00	(35,830.00)	35,830.00
 TOTAL EXPENDITURES	 1,803,805.00	 \$ 1,803,805.00	 \$ (0.00)
 RECEIPTS OVER (UNDER) EXPENDITURES	 (9,364.35)		
 UNENCUMBERED CASH, JULY 1, 2014	 120,086.75		
 UNENCUMBERED CASH, JUNE 30, 2015	 \$ 110,722.40		



UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 2  
PAGE 3 OF 18

**AT RISK FUND (K-12)**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	14-15 ACTUAL	14-15 BUDGET	VARIANCE - OVER (UNDER)
<u>RECEIPTS</u>			
OTHER REVENUE FROM LOCAL SOURCE	\$ 0.00	\$ 35,000.00	\$ (35,000.00)
TRANSFER FROM GENERAL FUND	<u>520,000.00</u>	<u>485,000.00</u>	<u>35,000.00</u>
TOTAL RECEIPTS	<u>520,000.00</u>	<u>\$ 520,000.00</u>	<u>\$ 0.00</u>
<u>EXPENDITURES</u>			
INSTRUCTION	496,998.95	\$ 519,500.00	\$ (22,501.05)
SUPPORT SERVICES:			
STUDENT SUPPORT SERVICES	22,251.05	0.00	22,251.05
INSTRUCTIONAL SUPPORT STAFF	<u>750.00</u>	<u>500.00</u>	<u>250.00</u>
TOTAL EXPENDITURES	<u>520,000.00</u>	<u>\$ 520,000.00</u>	<u>\$ 0.00</u>
RECEIPTS OVER (UNDER) EXPENDITURES	0.00		
UNENCUMBERED CASH, JULY 1, 2014	<u>0.00</u>		
UNENCUMBERED CASH, JUNE 30, 2015	<u>\$ 0.00</u>		

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 2  
PAGE 4 OF 18

**CAPITAL OUTLAY FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	14-15 ACTUAL	14-15 BUDGET	VARIANCE - OVER (UNDER)
<b><u>RECEIPTS</u></b>			
AD VALOREM PROPERTY TAXES -2013	\$ 10,108.23	\$ 8,587.00	\$ 1,521.23
-2014	575,351.34	543,654.00	31,697.34
DELINQUENT PROPERTY TAX	2,826.96	5,586.00	(2,759.04)
MOTOR VEHICLE TAX	54,784.64	50,571.00	4,213.64
RECREATION VEHICLE TAX	667.27	628.00	39.27
COMMERCIAL VEHICLE TAX	8,185.12	0.00	8,185.12
EXCISE TAX	63.18	0.00	63.18
IN LIEU OF TAXES IRBS	77.26	1,717.00	(1,639.74)
OTHER REVENUE FROM LOCAL SOURCES	2,485.47	0.00	2,485.47
<b>TOTAL RECEIPTS</b>	<b>654,549.47</b>	<b>\$ 610,743.00</b>	<b>\$ 43,806.47</b>
<b><u>EXPENDITURES</u></b>			
INSTRUCTION	186,218.19	\$ 355,000.00	\$ (168,781.81)
SUPPORT SERVICES:			
STUDENT SUPPORT SERVICES	0.00	1,372.00	(1,372.00)
INSTRUCTIONAL SUPPORT STAFF	7,600.96	20,000.00	(12,399.04)
GENERAL ADMINISTRATION	1,588.97	1,000.00	588.97
SCHOOL ADMINISTRATION	1,594.93	1,000.00	594.93
OPERATIONS & MAINTENANCE	174,010.42	138,628.00	35,382.42
TRANSPORTATION	6,700.00	100,000.00	(93,300.00)
FOOD SERVICE OPERATIONS	9,311.08	0.00	9,311.08
FACILITY ACQUISITION & CONSTRUCTION SERVICES	14,525.31	350,000.00	(335,474.69)
TRANSFER TO DEBT SERVICE FUND	161,207.03	0.00	161,207.03
BUILDING IMPROVEMENTS	4,774.52	75,000.00	(70,225.48)
<b>TOTAL EXPENDITURES</b>	<b>567,531.41</b>	<b>\$ 1,042,000.00</b>	<b>\$ (474,468.59)</b>
RECEIPTS OVER (UNDER) EXPENDITURES	87,018.06		
UNENCUMBERED CASH, JULY 1, 2014	724,227.60		
UNENCUMBERED CASH, JUNE 30, 2015	\$ 811,245.66		

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 2  
PAGE 5 OF 18

**DRIVER TRAINING FUND**  
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	14-15 ACTUAL	14-15 BUDGET	VARIANCE - OVER (UNDER)
<u>RECEIPTS</u>			
STATE OF KANSAS - STATE AID	\$ 4,557.00	\$ 4,250.00	\$ 307.00
STUDENT FEES	<u>11,283.00</u>	<u>10,000.00</u>	<u>1,283.00</u>
TOTAL RECEIPTS	<u>15,840.00</u>	<u>\$ 14,250.00</u>	<u>\$ 1,590.00</u>
<u>EXPENDITURES</u>			
INSTRUCTION	7,129.73	\$ 13,800.00	\$ (6,670.27)
SUPPORT SERVICES:			
VEHICLE OPERATIONS, MAINTENANCE SERVICES	<u>3,603.04</u>	<u>11,200.00</u>	<u>(7,596.96)</u>
TOTAL EXPENDITURES	<u>10,732.77</u>	<u>\$ 25,000.00</u>	<u>\$ (14,267.23)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	5,107.23		
UNENCUMBERED CASH, JULY 1, 2014	<u>27,484.71</u>		
UNENCUMBERED CASH, JUNE 30, 2015	<u>\$ 32,591.94</u>		

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 2  
PAGE 6 OF 18

**FOOD SERVICE FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	14-15 <u>ACTUAL</u>	14-15 <u>BUDGET</u>	VARIANCE - OVER (UNDER)
<u>RECEIPTS</u>			
STATE OF KANSAS - STATE AID	\$ 4,075.14	\$ 3,499.00	\$ 576.14
- FEDERAL AID	197,324.44	178,334.00	18,990.44
MEALS	258,812.56	317,529.00	(58,716.44)
TRANSFER FROM GENERAL FUND	9,228.58	20,000.00	(10,771.42)
INTEREST ON IDLE FUNDS	7,976.06	0.00	7,976.06
REIMBURSEMENTS	<u>2,029.70</u>	<u>0.00</u>	<u>2,029.70</u>
TOTAL RECEIPTS	<u>479,446.48</u>	<u>\$ 519,362.00</u>	<u>\$ (39,915.52)</u>
<u>EXPENDITURES</u>			
FOOD SERVICE OPERATIONS	478,016.46	\$ 568,000.00	\$ (89,983.54)
ADJUSTMENT FOR QUALIFYING BUDGET CREDITS	<u>0.00</u>	<u>2,029.70</u>	<u>(2,029.70)</u>
TOTAL EXPENDITURES	<u>478,016.46</u>	<u>\$ 570,029.70</u>	<u>\$ (92,013.24)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	1,430.02		
UNENCUMBERED CASH, JULY 1, 2014	<u>48,637.63</u>		
UNENCUMBERED CASH, JUNE 30, 2015	<u>\$ 50,067.65</u>		

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 2  
PAGE 7 OF 18

PROFESSIONAL DEVELOPMENT FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	14-15 ACTUAL	14-15 BUDGET	VARIANCE - OVER (UNDER)
<u>RECEIPTS</u>			
OTHER REVENUE FROM LOCAL SOURCE	\$ 27.00	\$ 20,000.00	\$ (19,973.00)
TRANSFER FROM GENERAL FUND	<u>31,104.19</u>	<u>30,000.00</u>	<u>1,104.19</u>
TOTAL RECEIPTS	<u>31,131.19</u>	<u>\$ 50,000.00</u>	<u>\$ (18,868.81)</u>
<u>EXPENDITURES</u>			
INSTRUCTION	6,222.23	\$ 0.00	\$ 6,222.23
SUPPORT SERVICES:			
INSTRUCTIONAL SUPPORT STAFF	<u>24,658.96</u>	<u>50,000.00</u>	<u>(25,341.04)</u>
TOTAL EXPENDITURES	<u>30,881.19</u>	<u>\$ 50,000.00</u>	<u>\$ (19,118.81)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	250.00		
UNENCUMBERED CASH, JULY 1, 2014	<u>0.00</u>		
UNENCUMBERED CASH, JUNE 30, 2015	<u>\$ 250.00</u>		

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 2  
PAGE 8 OF 18

**SPECIAL EDUCATION FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	14-15 ACTUAL	14-15 BUDGET	VARIANCE - OVER (UNDER)
<u>RECEIPTS</u>			
OTHER REVENUE FROM LOCAL SOURCE	\$ 6,910.69	\$ 499,683.00	\$ (492,772.31)
TRANSFER FROM GENERAL FUND	<u>1,310,142.18</u>	<u>1,181,120.00</u>	<u>129,022.18</u>
TOTAL RECEIPTS	<u>1,317,052.87</u>	<u>\$ 1,680,803.00</u>	<u>\$ (363,750.13)</u>
<u>EXPENDITURES</u>			
INSTRUCTION	0.00	\$ 345,000.00	\$ (345,000.00)
TRANSFERS:			
COOP SPECIAL EDUCATION	<u>1,302,090.17</u>	<u>1,381,120.00</u>	<u>(79,029.83)</u>
TOTAL EXPENDITURES	<u>1,302,090.17</u>	<u>\$ 1,726,120.00</u>	<u>\$ (424,029.83)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	14,962.70		
UNENCUMBERED CASH, JULY 1, 2014	<u>45,229.62</u>		
UNENCUMBERED CASH, JUNE 30, 2015	<u>\$ 60,192.32</u>		

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 2  
PAGE 9 OF 18

**AT RISK FUND (4 YR OLD)**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	14-15 ACTUAL	14-15 BUDGET	VARIANCE - OVER (UNDER)
<u>RECEIPTS</u>			
OTHER REVENUE FROM LOCAL SOURCE	\$ 0.00	\$ 5,000.00	\$ (5,000.00)
TRANSFER FROM GENERAL FUND	<u>78,362.04</u>	<u>80,000.00</u>	<u>(1,637.96)</u>
TOTAL RECEIPTS	<u>78,362.04</u>	<u>\$ 85,000.00</u>	<u>\$ (6,637.96)</u>
<u>EXPENDITURES</u>			
INSTRUCTION	78,362.04	\$ 83,800.00	\$ (5,437.96)
SUPPORT SERVICES:			
INSTRUCTIONAL SUPPORT STAFF	<u>0.00</u>	<u>1,200.00</u>	<u>(1,200.00)</u>
TOTAL EXPENDITURES	<u>78,362.04</u>	<u>\$ 85,000.00</u>	<u>\$ (6,637.96)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	0.00		
UNENCUMBERED CASH, JULY 1, 2014	<u>0.00</u>		
UNENCUMBERED CASH, JUNE 30, 2015	<u>\$ 0.00</u>		

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 2  
PAGE 10 OF 18

VOCATIONAL EDUCATION FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	14-15 ACTUAL	14-15 BUDGET	VARIANCE - OVER (UNDER)
<u>RECEIPTS</u>			
OTHER REVENUE FROM LOCAL SOURCE	\$ 2,685.98	\$ 0.00	\$ 2,685.98
TRANSFER FROM GENERAL FUND	352,871.52	300,000.00	52,871.52
REIMBURSEMENTS	9,442.50	65,000.00	(55,557.50)
TOTAL RECEIPTS	<u>365,000.00</u>	<u>\$ 365,000.00</u>	<u>\$ 0.00</u>
<u>EXPENDITURES</u>			
INSTRUCTION	363,875.00	\$ 365,000.00	\$ (1,125.00)
SUPPORT SERVICES:			
INSTRUCTIONAL SUPPORT STAFF	<u>1,125.00</u>	<u>0.00</u>	<u>1,125.00</u>
TOTAL EXPENDITURES	<u>365,000.00</u>	<u>\$ 365,000.00</u>	<u>\$ 0.00</u>
RECEIPTS OVER (UNDER) EXPENDITURES	0.00		
UNENCUMBERED CASH, JULY 1, 2014	<u>0.00</u>		
UNENCUMBERED CASH, JUNE 30, 2015	<u>\$ 0.00</u>		



UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 2  
PAGE 11 OF 18

**KPERS SPECIAL RETIREMENT CONTRIBUTION FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

		14-15 ACTUAL	14-15 BUDGET	VARIANCE - OVER (UNDER)
<b><u>RECEIPTS</u></b>				
STATE OF KANSAS		\$ 589,939.58	\$ 740,305.00	\$ (150,365.42)
<b><u>EXPENDITURES</u></b>				
INSTRUCTION	-EMPLOYEE BENEFITS	361,310.25	\$ 410,305.00	\$ (48,994.75)
STUDENT SUPPORT	-EMPLOYEE BENEFITS	39,898.61	50,000.00	(10,101.39)
INSTRUCTIONAL SUPPORT	-EMPLOYEE BENEFITS	27,271.03	50,000.00	(22,728.97)
GENERAL ADMINISTRATION	-EMPLOYEE BENEFITS	17,559.77	30,000.00	(12,440.23)
SCHOOL ADMINISTRATION	-EMPLOYEE BENEFITS	54,098.95	65,000.00	(10,901.05)
CENTRAL SERVICES	-EMPLOYEE BENEFITS	8,009.67	15,000.00	(6,990.33)
OPER. & MAINTENANCE	-EMPLOYEE BENEFITS	41,981.55	50,000.00	(8,018.45)
STUDENT TRANS. SERVICES	-EMPLOYEE BENEFITS	19,238.11	30,000.00	(10,761.89)
FOOD SERVICE	-EMPLOYEE BENEFITS	20,571.64	40,000.00	(19,428.36)
<b>TOTAL EXPENDITURES</b>		<b>589,939.58</b>	<b>\$ 740,305.00</b>	<b>\$ (150,365.42)</b>
RECEIPTS OVER (UNDER) EXPENDITURES		0.00		
UNENCUMBERED CASH, JULY 1, 2014		0.00		
UNENCUMBERED CASH, JUNE 30, 2015		\$ 0.00		

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 2  
PAGE 12 OF 18

**COOP SPECIAL EDUCATION FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	14-15 ACTUAL	14-15 BUDGET	VARIANCE - OVER (UNDER)
<b><u>RECEIPTS</u></b>			
LOCAL SOURCES-PAYMENTS FROM OTHER DISTRICTS	\$ 720,360.38	\$ 2,233,000.00	\$ (1,512,639.62)
OTHER REVENUE FROM LOCAL SOURCES	919.20	2,000.00	(1,080.80)
TRANSFER FROM SPECIAL EDUCATION FUND	1,302,090.17	0.00	1,302,090.17
SEKESC - SPECTRA	2,000.50	35,000.00	(32,999.50)
TITLE VI-B GRANTS TO STATES	229,630.00	280,000.00	(50,370.00)
TITLE VI-B PRESCHOOL	9,658.00	0.00	9,658.00
TITLE VI-B PRIVATE SCHOOL	24,886.00	0.00	24,886.00
TITLE VI-B TIP	14,402.00	0.00	14,402.00
<b>TOTAL RECEIPTS</b>	<b><u>2,303,946.25</u></b>	<b><u>\$ 2,550,000.00</u></b>	<b><u>\$ (246,053.75)</u></b>
<b><u>EXPENDITURES</u></b>			
INSTRUCTION	1,967,407.49	\$ 2,130,400.00	\$ (162,992.51)
SUPPORT SERVICES:			
STUDENT SUPPORT SERVICES	257,838.71	330,500.00	(72,661.29)
INSTRUCTIONAL SUPPORT STAFF	2,250.00	0.00	2,250.00
GENERAL ADMINISTRATION	555.43	0.00	555.43
SCHOOL ADMINISTRATION	75,894.62	89,100.00	(13,205.38)
<b>TOTAL EXPENDITURES</b>	<b><u>2,303,946.25</u></b>	<b><u>\$ 2,550,000.00</u></b>	<b><u>\$ (246,053.75)</u></b>
RECEIPTS OVER (UNDER) EXPENDITURES	0.00		
UNENCUMBERED CASH, JULY 1, 2014	<u>0.00</u>		
UNENCUMBERED CASH, JUNE 30, 2015	<u>\$ 0.00</u>		

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 2  
PAGE 13 OF 18

**BOND AND INTEREST FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	14-15 ACTUAL	14-15 BUDGET	VARIANCE - OVER (UNDER)
<u>RECEIPTS</u>			
TAXES AND SHARED REVENUE--			
AD VALOREM PROPERTY TAXES -2013	\$ 0.00	\$ 0.00	\$ 0.00
TOTAL RECEIPTS	0.00	\$ 0.00	\$ 0.00
<u>EXPENDITURES</u>			
TOTAL EXPENDITURES	0.00	\$ 0.00	\$ 0.00
RECEIPTS OVER (UNDER) EXPENDITURES	0.00		
UNENCUMBERED CASH, JULY 1, 2014	191,414.98		
UNENCUMBERED CASH, JUNE 30, 2015	\$ 191,414.98		

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 2  
PAGE 14 OF 18

SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	CONTINGENCY RESERVE FUND	TEXTBOOK & STUDENT MATERIAL REVOLVING FUND	DEBT SERVICE FUND
<u>RECEIPTS</u>			
MISCELLANEOUS FEES & REIMBURSEMENTS	\$ 0.00	\$ 47.64	\$ 0.00
BOOK RENTAL FEES	0.00	41,303.75	0.00
STUDENT FEES	0.00	2,899.38	0.00
TRANSFER FROM CAPITAL OUTLAY	0.00	0.00	161,207.03
BANK OF KANSAS CITY INTEREST	0.00	0.00	0.02
UNITED STATES TREASURY INTEREST	0.00	0.00	36,491.92
TOTAL RECEIPTS	0.00	44,250.77	197,698.97
<u>EXPENDITURES</u>			
INSTRUCTION	0.00	24,675.03	0.00
SUPPORT SERVICES:			
STUDENT SUPPORT	0.00	2,224.85	0.00
PAYMENTS TO UNITED BANK	0.00	0.00	118,532.29
TOTAL EXPENDITURES	0.00	26,899.88	118,532.29
RECEIPTS OVER (UNDER) EXPENDITURES	0.00	17,350.89	79,166.68
UNENCUMBERED CASH, JULY 1, 2014	218,954.00	119,186.72	237,500.94
UNENCUMBERED CASH, JUNE 30, 2015	\$ 218,954.00	\$ 136,537.61	\$ 316,667.62

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 2  
PAGE 15 OF 18

SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	TITLE I FY 15	TITLE II - A FY15	BULLYING PREVENTION GRANT
<u>RECEIPTS</u>			
STATE OF KANSAS	\$ 103,823.00	\$ 31,382.00	\$ 3,227.12
<u>EXPENDITURES</u>			
INSTRUCTION	103,823.00	31,382.00	505.05
SUPPORT SERVICES:			
INSTRUCTIONAL SUPPORT STAFF	0.00	0.00	1,227.12
TOTAL EXPENDITURES	103,823.00	31,382.00	1,732.17
RECEIPTS OVER (UNDER) EXPENDITURES	0.00	0.00	1,494.95
UNENCUMBERED CASH, JULY 1, 2014	0.00	0.00	0.00
UNENCUMBERED CASH, JUNE 30, 2015	\$ 0.00	\$ 0.00	\$ 1,494.95

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 2  
PAGE 16 OF 18

SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	KIDS UNIVERSITY	WORKFORCE INVESTMENT ACT	CAMP INVENTION
<u>RECEIPTS</u>			
STUDENT FEES	\$ 26,911.91	\$ 0.00	\$ 0.00
HEARTLAND WORKS	0.00	37,633.00	0.00
TOTAL RECEIPTS	26,911.91	37,633.00	0.00
<u>EXPENDITURES</u>			
INSTRUCTION	26,101.95	25,041.50	0.00
SUPPORT SERVICES:			
STUDENT SUPPORT SERVICES	0.00	12,591.50	0.00
TOTAL EXPENDITURES	26,101.95	37,633.00	0.00
RECEIPTS OVER (UNDER) EXPENDITURES	809.96	0.00	0.00
UNENCUMBERED CASH, JULY 1, 2014	17,466.05	0.00	1,168.50
UNENCUMBERED CASH, JUNE 30, 2015	\$ 18,276.01	\$ 0.00	\$ 1,168.50

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 2  
PAGE 17 OF 18

SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	GRANTS FUND	USD #364 SCHOLARSHIP FUND	HOMER HANSON STADIUM RENOVATION
<u>RECEIPTS</u>			
INTEREST INCOME	\$ 0.00	\$ 17.02	\$ 0.00
DONATIONS	11,100.00	300.00	19,130.05
		0.00	
TOTAL RECEIPTS	11,100.00	317.02	19,130.05
<u>EXPENDITURES</u>			
INSTRUCTION	21,388.23	0.00	0.00
SCHOLARSHIPS	0.00	300.00	0.00
STADIUM RENOVATIONS	0.00	0.00	2,681.63
TOTAL EXPENDITURES	21,388.23	300.00	2,681.63
RECEIPTS OVER (UNDER) EXPENDITURES	(10,288.23)	17.02	16,448.42
UNENCUMBERED CASH, JULY 1, 2014	10,288.23	6,828.60	18,341.46
UNENCUMBERED CASH, JUNE 30, 2015	\$ 0.00	\$ 6,845.62	\$ 34,789.88

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 2  
PAGE 18 OF 18

SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>SAFE AND ACTIVE SCHOOL</u>
<u>RECEIPTS</u>	
SAFE AND ACTIVE SCHOOL GRANT	\$ <u>1,000.00</u>
<u>EXPENDITURES</u>	
INSTRUCTION	<u>100.00</u>
RECEIPTS OVER (UNDER) EXPENDITURES	900.00
UNENCUMBERED CASH, JULY 1, 2014	<u>0.00</u>
UNENCUMBERED CASH, JUNE 30, 2015	\$ <u><u>900.00</u></u>



UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 3

AGENCY FUNDS  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	BEGINNING CASH BALANCE	CASH RECEIPTS	CASH DISBURSEMENTS	ENDING CASH BALANCE
<b>STUDENT ORGANIZATION FUNDS</b>				
MARYSVILLE JUNIOR-SENIOR HIGH SCHOOL:				
CLASS OF 2014	\$ 83.26	\$ 0.05	\$ 83.31	\$ 0.00
CLASS OF 2015	78.70	591.48	386.23	283.95
CLASS OF 2016	3,210.57	1,081.39	2,762.41	1,529.55
CLASS OF 2017	100.22	7,109.07	4,460.04	2,749.25
ANNUAL CLUB	3,833.89	11,579.16	11,172.58	4,240.47
ART CLUB	858.51	2,910.69	2,845.65	923.55
BIOLOGY CLUB	686.58	91.03	78.10	699.51
FBLA	1,276.27	26,778.77	24,110.25	3,944.79
DRAMA CLUB	1,218.84	2,697.20	3,010.83	905.21
FFA	4,527.28	61,185.90	57,408.15	8,305.03
FCCLA	12,281.85	22,301.37	24,845.83	9,737.39
JUNIOR HIGH ANNUAL CLUB	833.42	1,100.00	908.04	1,025.38
JUNIOR HIGH STUDENT COUNCIL	177.26	2,298.68	1,799.43	676.51
KAYS	249.09	320.35	480.87	88.57
M-CLUB	4,396.68	3,404.73	5,061.38	2,740.03
MATMAIDS	327.31	0.50	0.05	327.76
NATIONAL HONOR SOCIETY CLUB	281.24	180.50	0.04	461.70
TRI-M CLUB	647.20	120.87	258.10	509.97
SCHOLARS BOWL CLUB	620.65	400.54	772.59	248.60
SADD	300.91	0.41	0.05	301.27
SPANISH CLUB	1,689.15	2,623.45	3,780.29	532.31
STUDENT COUNCIL	3,934.09	13,372.95	12,982.19	4,324.85
<b>SUBTOTAL ALL STUDENT ORGANIZATIONS</b>	<b>41,612.97</b>	<b>160,149.09</b>	<b>157,206.41</b>	<b>44,555.65</b>
<b>PAYROLL CLEARING</b>				
INSUR. & CAFETERIA PLAN REIMBURSEMENTS	130,024.16	1,302,437.61	1,416,971.55	15,490.22
<b>TOTAL AGENCY FUNDS</b>	<b>\$ 171,637.13</b>	<b>\$ 1,462,586.70</b>	<b>\$ 1,574,177.96</b>	<b>\$ 60,045.87</b>

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

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UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 4

DISTRICT ACTIVITY FUNDS  
SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH  
REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

FUNDS	BEGINNING UNENCUMBERED CASH BALANCE	PRIOR YEAR CANCELLED ENCUMBRANCES	CASH RECEIPTS	EXPENDITURES	ENDING UNENCUMBERED CASH BALANCE	ADD OUTSTANDING ENCUMBRANCES AND ACCOUNTS PAYABLE	ENDING CASH BALANCE
<b>GATE RECEIPTS</b>							
MARYSVILLE JUNIOR-SENIOR HIGH SCHOOL:							
ATHLETICS	\$ 15,426.49	\$ 0.00	\$ 61,947.21	\$ 61,960.71	\$ 15,412.99	\$ 0.00	\$ 15,412.99
ACTIVITY TICKETS	6,803.90	0.00	10,741.01	7,278.32	10,266.59	0.00	10,266.59
<b>SUBTOTAL GATE RECEIPTS</b>	<b>22,230.39</b>	<b>0.00</b>	<b>72,688.22</b>	<b>69,239.03</b>	<b>25,679.58</b>	<b>0.00</b>	<b>25,679.58</b>
<b>SCHOOL PROJECT FUNDS</b>							
MARYSVILLE JUNIOR-SENIOR HIGH SCHOOL:							
ATHLETICS/ACTIVITIES IMPROVEMENT	8,881.50	0.00	3,600.00	2,399.63	10,081.87	0.00	10,081.87
SPORTS CLUBS WITH NO OFFICERS	27,254.88	0.00	59,411.05	53,291.68	33,374.25	0.00	33,374.25
CHEERLEADERS	681.24	0.00	17,123.64	15,172.34	2,632.54	0.00	2,632.54
VOCAL MUSIC	537.88	0.00	503.67	553.34	486.19	0.00	486.19
KSCFL	291.00	0.00	10,345.54	9,556.23	1,080.31	0.00	1,080.31
VIDEOGRAPHY	3,937.15	0.00	1,592.66	1,226.39	4,303.42	0.00	4,303.42
POPULAR MUSIC LAB	280.71	0.00	245.39	342.29	183.81	0.00	183.81
SCIENCE CLUB	52.30	0.00	0.10	0.01	52.39	0.00	52.39
PHYSICS CLUB	194.34	0.00	0.28	0.03	194.59	0.00	194.59
BAND TRIP	5,724.27	0.00	20,149.73	25,874.00	0.00	0.00	0.00
BAND	4,748.90	0.00	2,951.35	7,142.88	557.37	0.00	557.37
BULLDOG CLUB	4,340.55	0.00	8,675.00	7,506.66	5,508.89	0.00	5,508.89
COURTESY FUND	121.16	0.00	215.00	84.27	251.89	0.00	251.89
HIGH SCHOOL IMPROVEMENT PROJECT	1,386.54	0.00	1,171.02	869.03	1,688.53	0.00	1,688.53
JUNIOR HIGH SCHOOL IMPROVEMENT PROJECT	12.30	0.00	291.06	0.00	303.36	0.00	303.36
JUNIOR HIGH SCHOOL WRESTLING	54.70	0.00	0.10	0.01	54.79	0.00	54.79
JUNIOR HIGH MUSICAL/DRAMA	65.03	0.00	0.00	0.00	65.03	0.00	65.03
LIBRARY FEES	2,397.54	0.00	748.03	761.00	2,384.57	0.00	2,384.57
MARSHALL COUNTY SPEECH EXPERIENCE	234.83	0.00	0.00	0.00	234.83	0.00	234.83
PEPSI	6,326.84	0.00	1,311.00	4,289.83	3,348.01	0.00	3,348.01
PHOTO SERVICES	1,886.21	0.00	7,602.40	9,304.47	184.14	0.00	184.14
SCHOOL SUPPLIES	1,200.85	0.00	0.00	43.22	1,157.63	0.00	1,157.63
STUDENT ACTIVITY PROJECTS	1,721.54	0.00	2,594.34	2,580.34	1,735.54	0.00	1,735.54
STUDENT REVOLVING FUND	190.00	0.00	23,804.75	23,720.75	274.00	0.00	274.00
YOGOWYPI	140.96	0.00	0.20	0.02	141.14	0.00	141.14
PRESIDENT'S CLUB	0.00	0.00	4,450.00	4,450.00	0.00	0.00	0.00
AFTER PROM	0.00	0.00	12,023.00	10,113.05	1,909.95	0.00	1,909.95
<b>SUBTOTAL MARYSVILLE JR-SR HIGH SCHOOL</b>	<b>72,663.20</b>	<b>0.00</b>	<b>178,809.31</b>	<b>179,281.47</b>	<b>72,191.04</b>	<b>0.00</b>	<b>72,191.04</b>
MARYSVILLE ELEMENTARY:							
BOOK FAIR/LIBRARY PROJECT	282.47	0.00	5,678.12	5,010.26	950.33	0.00	950.33
REFRESHMENTS PROJECT	506.50	0.00	418.50	748.66	176.34	0.00	176.34
DANKS	3,150.44	0.00	0.00	157.66	2,992.78	0.00	2,992.78
SCHOOL IMPROVEMENT PROJECT	5,819.05	0.00	2,642.12	2,068.09	6,393.08	0.00	6,393.08
EYE FUND	50.00	0.00	0.00	0.00	50.00	0.00	50.00
BUGS	36.65	0.00	0.00	0.00	36.65	0.00	36.65
MUSIC	358.85	0.00	973.42	964.63	367.64	0.00	367.64
STUDENT REVOLVING FUND	1,711.70	0.00	2,506.12	2,670.67	1,547.15	0.00	1,547.15
YEARBOOK PROJECT	5,561.37	0.00	3,286.26	2,650.01	5,997.62	0.00	5,997.62
THEME DAY	550.37	0.00	433.50	700.96	282.91	0.00	282.91
DONATION	3,359.71	0.00	1,459.47	2,584.42	2,234.76	0.00	2,234.76
LEARNING GARDEN	1,903.75	0.00	0.00	0.00	1,903.75	0.00	1,903.75
BULLDOG SINGERS	171.06	0.00	0.00	30.00	141.06	0.00	141.06
KIDS UNIVERSITY	0.00	0.00	270.00	0.00	270.00	0.00	270.00
BACKSNACK PROGRAM	0.00	0.00	1,317.66	476.11	841.55	0.00	841.55
<b>SUBTOTAL MARYSVILLE ELEMENTARY SCHOOL</b>	<b>23,461.92</b>	<b>0.00</b>	<b>18,985.17</b>	<b>18,261.47</b>	<b>24,185.62</b>	<b>0.00</b>	<b>24,185.62</b>
<b>SUBTOTAL ALL SCHOOL PROJECT FUNDS</b>	<b>96,125.12</b>	<b>0.00</b>	<b>197,794.48</b>	<b>197,542.94</b>	<b>96,376.66</b>	<b>0.00</b>	<b>96,376.66</b>
<b>TOTAL DISTRICT ACTIVITY FUNDS</b>	<b>\$ 118,355.51</b>	<b>\$ 0.00</b>	<b>\$ 270,482.70</b>	<b>\$ 266,781.97</b>	<b>\$ 122,056.24</b>	<b>\$ 0.00</b>	<b>\$ 122,056.24</b>

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

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UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

**OTHER SUPPLEMENTARY INFORMATION**

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 5

COMPARISON OF DEPOSITORY SECURITY WITH FUNDS ON DEPOSIT  
JUNE 30, 2015

	F.D.I.C. COVERAGE	SECURITY PLEDGED PAR VALUE	MARKET VALUE	TOTAL COVERAGE	FUNDS ON DEPOSIT 06-30-15	FUNDS AT RISK 06-30-15
<u>BANK</u>						
UNITED BANK & TRUST, MARYSVILLE, KANSAS-- DEMAND DEPOSITS	\$ 0.00			\$	0.00	
TIME DEPOSITS	250,000.00				2,337,351.71	
SUBTOTAL	250,000.00	\$ 4,000,000.00	\$ 3,928,020.00	\$ 4,178,020.00	2,337,351.71	\$ 0.00
<u>CITIZENS STATE BANK, MARYSVILLE, KANSAS--</u>						
DEMAND DEPOSITS	250,000.00				316,666.68	
TIME DEPOSITS	6,545.62				6,545.62	
SUBTOTAL	256,545.62	25,648.50	26,384.00	282,929.62	323,212.30	40,282.68
<u>BANK OF KANSAS CITY, KANSAS CITY, MO</u>						
TIME DEPOSITS	0.94			0.94	0.94	0.00
CAVANAL HILL US TREASURY (COST BASIS)						
TOTAL CASH DEPOSITS OF REPORTING ENTITY	\$ 506,546.56	\$ 4,025,648.50	\$ 3,954,404.00	\$ 4,460,950.56	\$ 2,660,564.95	\$ 40,282.68

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
THE FINANCIAL STATEMENT PERFORMED IN ACCORDANCE WITH GOVERNMENT  
AUDITING STANDARDS

Board of Education  
Unified School District No. 364  
Marysville, Kansas 66508

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Governmental Auditing Standards* issued by the Comptroller General of the United States and the *Kansas Municipal Audit and Accounting Guide*, the financial statement of Unified School District No. 364, Marysville, Kansas, (the District) as of and for the year ended June 30, 2015 and the related notes to the financial statement, which comprise Unified School District No. 364's basic financial statement and have issued our report thereon, dated January 13, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies (2015-001, 2015-002, 2015-003, 2015-004).



### Compliance and Other Matters

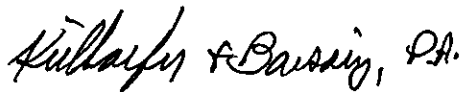
As part of obtaining reasonable assurance about whether the District's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### Response to Findings

The District's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of the financial statement and accordingly, we express no opinion on it.

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Kickhaefer & Buessing, P.A.

Marysville, Kansas

January 13, 2016

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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY OMB CIRCULAR A-133**

Board of Education  
Unified School District No. 364  
Marysville, Kansas 66508

**Report on Compliance for Each Major Federal Program**

We have audited Unified School District No. 364's (the District) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2015. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with the *Kansas Municipal Auditing and Accounting Guide*; auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

## Opinion on Each Major Federal Program

In our opinion the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

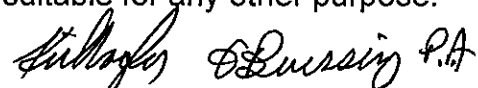
## Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit the attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Kickhaefer & Buessing, P.A.  
Marysville, Kansas  
January 13, 2016

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

PAGE 1 OF 2

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

PROGRAM TITLE	FEDERAL CFDA NUMBER	PROGRAM OR AWARD AMOUNT	BEGINNING BALANCE 07-01-14	RECEIPTS	EXPENDITURES	ENDING BALANCE 06-30-15
U.S. DEPT. OF EDUCATION:						
PASSED THROUGH PROGRAMS FROM:						
KANSAS DEPARTMENT OF EDUCATION:						
TITLE I - FY 15	84.010	\$ 103,823.00	\$ 0.00	\$ 103,823.00	\$ 103,823.00	\$ 0.00
TITLE IIA - IMPROVING TEACHER QUALITY	84.367	31,382.00	0.00	31,382.00	31,382.00	0.00
TITLE VIB PRESCHOOL	84.173	9,658.00	0.00	9,658.00	9,658.00	0.00
TITLE VIB GRANTS TO STATES	84.027	254,516.00	0.00	254,516.00	254,516.00	0.00
TITLE VIB DISCRETIONARY SPEC. PROJECTS	84.027A	14,402.00	0.00	14,402.00	14,402.00	0.00
NEMAHA CENTRAL USD #115:						
CARL PERKINS - CAREER AND TECHNICAL EDUCATION	84.048	5,070.00	0.00	5,070.00	5,070.00	0.00
TOTAL PASS-THROUGH PROGRAMS					418,851.00	
TOTAL U.S. DEPT. OF EDUCATION					418,851.00	
U.S. DEPT. OF LABOR						
PASS THROUGH PROGRAM FROM:						
KANSAS DEPARTMENT OF COMMERCE:						
HEARTLAND WORKS, INC.:						
WORKFORCE INVESTMENT ACT	17.259	37,633.00	0.00	37,633.00	37,633.00	0.00
TOTAL U.S. DEPT. OF LABOR					37,633.00	
					(CONT.)	

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

PAGE 2 OF 2

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

PROGRAM TITLE	FEDERAL CFDA NUMBER	PROGRAM OR AWARD AMOUNT	BEGINNING BALANCE 07-01-14	RECEIPTS	EXPENDITURES	ENDING BALANCE 06-30-15
U.S. DEPT. OF AGRICULTURE						
PASS THROUGH PROGRAM FROM:						
KANSAS DEPARTMENT OF EDUCATION:						
SCHOOL BREAKFAST PROGRAM	10.553	\$ 29,967.92	\$ 0.00	\$ 29,967.92	\$ 29,967.92	\$ 0.00
SCHOOL LUNCH PROGRAM	10.555	166,553.56	0.00	166,553.56	166,553.56	0.00
SPECIAL MILK PROGRAM	10.556	802.96	0.00	802.96	802.96	0.00
TOTAL PASS THROUGH PROGRAMS					197,324.44	
TOTAL DEPT OF AGRICULTURE					197,324.44	
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES						
PASS THROUGH PROGRAM FROM:						
SOUTHEAST KANSAS EDUC. SERVICE CENTER:						
MEDICAL ASSISTANCE PROGRAM	93.778	13,118.16	0.00	1,331.29	1,331.29	0.00
KANSAS DEPT. OF EDUCATION						
YOUTH RISK BEHAVIOR SURVEY	93.079	100.00	0.00	100.00	100.00	0.00
KANSAS DEPT. OF HEALTH AND ENVIRONMENT						
MEDICAL ASSISTANCE PROGRAM	93.778	6,910.69	0.00	5,112.96	5,112.96	0.00
BULLY PREVENTION GRANT	93.136	11,135.42	0.00	11,135.42	9,640.47	1,494.95
TOTAL PASS THROUGH PROGRAMS					16,184.72	
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES					16,184.72	
TOTAL EXPENDITURES OF FEDERAL AWARDS					\$ 669,993.16	

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
JUNE 30, 2015

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (SEFA) includes the federal grant activity of the Unified School District No. 364, Marysville, Kansas and is presented on the KMAAG regulatory basis of accounting which involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audit of States, Local Governments, and Non-Profit Organizations*. The schedule of expenditures of federal awards includes supplies and materials which were purchased with federal monies by the pass through entity on behalf of USD #364 and distributed to the District. These amounts are included in receipts and expenditures in the SEFA. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statement. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

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UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**SUMMARY OF AUDITORS' RESULTS**

1. The auditors' report expresses an unqualified opinion on the Unified School District No. 364, Marysville, Kansas' financial statement under the regulatory basis of accounting and an adverse opinion under GAAP dated January 13, 2016.
2. Four significant deficiencies relating to the audit of the financial statement are reported in the Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statement Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statement of Unified School District No. 364, Marysville, Kansas, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No material weaknesses in internal control relating to the audit of the major federal award programs are reported in the Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133.
5. The auditors' report on compliance for the major federal award programs for Unified School District No. 364, Marysville, Kansas expresses an unqualified opinion on all major federal programs.
6. There were no audit findings relative to the major federal award programs for Unified School District No. 364, Marysville, Kansas, that are required to be reported under Section 510(a) of OMB Circular A-133.
7. The programs tested as major programs are the Special Education Cluster Title VI - B, CFDA #'s 84.027 and 84.173 and the Child Nutrition Cluster, CFDA #'s 10.553, 10.555 and 10.556. The Special Education Cluster is a U.S. Department of Education program. The Child Nutrition Cluster is a U.S. Department of Agriculture program.
8. The dollar threshold between Type A programs and Type B programs was \$300,000.
9. The Unified School District No. 364, Marysville, Kansas, did not qualify under Section 530 as a low-risk auditee and therefore was not eligible for reduced audit coverage in accordance with Section 520.



UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT.)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**FINDINGS - FINANCIAL STATEMENTS AUDIT**

2015-001 Cash Basis Violation

Condition: The District did not keep all individual fund balances at zero or above in FYE 15.

Criteria: Internal controls should be in place to prevent the District from having negative balances in their funds.

Cause: The State is underfunding selected programs in comparison to prior years and beginning cash balances of funds have been reduced considerably.

Effect: The District did not request enough funds to keep the Coop Special Education Fund from being negative in September, October, and November of 2014.

Recommendation: The District needs to request additional funding from the State early in order to cover the shortage.

Views of Responsible Officials and Planned Corrective Actions: The District agrees with the finding and the recommendation and has requested more State aid earlier in the current fiscal year.

2015-002 Public Works Bond Violation

Condition: The District did not obtain a public works bond or file it with the Clerk of the District Court in Marshall County.

Criteria: Internal controls should be in place to require any contracts over \$100,000 for improvements or repairs on public buildings be bonded with the State of Kansas for the contract amount.

Cause: The Board approved the contract with Roofmaster Roofing Co., Inc. for \$349,578.00 but didn't make sure the contractor had the required bond with the State of Kansas and that it was filed in Marshall County.

Effect: The District did not have the required public works bond and it was not filed with the Clerk of the District Court in Marshall County.

Recommendation: The District needs to be aware of the requirements when it comes to repairs to public buildings and be sure the public works bond is part of the specifications.

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT.)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**FINDINGS - FINANCIAL STATEMENTS AUDIT (cont.)**

2015-002 Public Works Bond Violation (cont.)

Views of Responsible Officials and Planned Corrective Actions: The District agrees with the finding and the recommendation and will keep the public works bond in mind for future projects.

2015-003 Elementary Activity Fund Accounting Violation

Condition: The elementary activity fund balances did not reconcile correctly to the bank statements for the last 3 months of FYE 15.

Criteria: Internal controls should be in place to monitor the activity fund records to ensure that accurate records are kept for the year.

Cause: The Marysville Elementary had a change in personnel and the Quicken program they were using did not work well for fund accounting.

Effect: The elementary activity fund balances did not reconcile to the bank statement balance. An adjustment of \$200.00 was required to be added to the funds in order to balance.

Recommendation: The District needs to provide training and monitor the elementary activity fund to ensure it is being accurately reconciled.

Views of Responsible Officials and Planned Corrective Actions: The District agrees with the finding and the recommendation and will monitor the activity funds more closely. They will look into getting a different program to use for the Marysville Elementary.

2015-004 Sinking Fund Inadequately Pledged Violation

Condition: The District sinking fund which is set up to pay the QZAB bond payment in 2022 was not totally covered by pledged securities from January – June, 2015.

Criteria: All District monies should be completely covered by pledged securities.

Cause: Citizens State Bank was informed by the bond company that the sinking fund didn't need to be covered by pledged securities but later informed the bank that they did need to be covered. Additional amount was pledged but not in effect till 7/3/15.

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT.)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**FINDINGS - FINANCIAL STATEMENTS AUDIT (cont.)**

2015-004 Sinking Fund Inadequately Pledged Violation (cont.)

Effect: The District's sinking fund balance was not completely covered by pledged securities at 6/30/15.

Recommendation: The District needs to monitor the account balances each month and be sure the proper pledging has been done.

Views of Responsible Officials and Planned Corrective Actions: The District agrees with the finding and the recommendation and will monitor the pledging more closely.

**FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS**

No findings or questioned costs were noted in the current fiscal year.

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS  
JUNE 30, 2015

PRIOR YEAR FINDINGS – FINANCIAL STATEMENT AUDIT

2014-001 Cash Basis Violation

Condition: The District did not keep all individual fund balances at zero or above in FYE 14.

Recommendation: The District needs to request additional funding from the State early in order to cover the shortage.

Current Status: The District has another cash basis violation in FYE 15 for the Coop Special Education Fund but has tried to regulate the State requests more evenly to eliminate negative balances. No negative balances are noted in the current FYE 16 through the audit date.

PRIOR YEAR FINDINGS – MAJOR FEDERAL AWARD PROGRAMS

There were no prior year major federal award program findings or questioned costs.